APPROVAL OF ML 53691 - METALLIFEROUS MINERALS

DA Date: 12/18/2017 Status: Approved by David Ure Department: Coal & Mineral

Drafted By: Mansfield, Jerry ID: 848

CONTRACT DETAILS

Lessee: JEANNIS INDUSTRIES, L.C. **Address:** 4257 PANORAMA DRIVE

SALT LAKE CITY, UT 84124

Administrator: Not Defined County: Juab Total acres: 540.71

Beneficiary: School

LAND PARCELS (GIS Review of Description: 12/13/2017)

 T12S, R12W, SLB&M
 Section 18
 LOTS 1(36.12), 2(36.16), 3(36.20), 4(36.23) [AKA W2W2]
 144.71 acres

 T12S, R12W, SLB&M
 Section 36
 E2E2
 160.00 acres

 T12S, R13W, SLB&M
 Section 13
 E2 [LESS MINING CLAIM ML 48707-MC] [METES & BOUNDS]
 236.00 acres

FINANCIAL/REVENUE

Check no. 606 from Richard D. & Jean A. Moody in the amount of \$571.00 should be applied as follows: \$541.00 to first years rental and \$30.00 to application fee.

SUMMARY

Approved for a 10-year term, rental of \$541.00, production royalty of 8% for fissionable and 4% for non-fissionable minerals, based on the gross value of the ore.

BOND / INSURANCE STATEWIDE - RELEASE

DA Date: 12/18/2017 Status: Approved by David Ure Department: Oil & Gas

Drafted By: Alldredge, David ID: 860

BOND / INSURANCE DETAILS

Principal Name: SAMSON RESOURCES COMPANY

Bond Type: Surety Bond

Amount: \$15,000.00 **Reference Number:** K08598964

Issued By: WESTCHESTER FIRE INSURANCE COMPANY OF

SUMMARY

On November 28, 2017, Samson Resources, 15 East 5th Street, Suite 1000, Tulsa, OK 74103, requested release of Bond of Lessee no. K08598964. Surety is Westchester Fire Insurance Company, 525 West Monro, Suite 700, Chicago IL 60661. Samson Resources no longer owns or operates any oil and gas assets in Utah or conducts business in Utah. The Auditing Group has reviewed this request and has no outstanding audit issues.

CORRECTION TO MARCH 18, 2005 DA - NAME CHANGE - ML 48065 - OIL GAS & HYDROCARBON

DA Date: 12/18/2017 Status: Approved by David Ure Department: Oil & Gas

Drafted By: Hale, Aly ID: 864

CONTRACT DETAILS

Lessee: ALKER, HENRY A

Address: 5360 VINE HILL ROAD

SEBASTOPOL, CA 95472

Administrator: Adams, Wes County: Carbon Total acres: 640.00

Start Date: 09/01/1998 Beneficiary: School

Expiration Date: 12/31/2999

Royalty Rate: 12.5%

LAND PARCELS (GIS Review of Description: 11/02/2017)

T15S, R12E, SLB&M Section 16 ALL 640.00 acres

FINANCIAL/REVENUE

A name change filing fee in the amount of \$15.00 was accepted on 12/11/17.

SUMMARY

On the Director's Minutes of March 18, 2005, page 1, a name change to Savoy Energy LLC from Savoy Energy Inc. was submitted for record-keeping purposes, affecting three (3) leases. **ML 48065** should have been on the request and was erroneously left off. The lessee has paid the required name change fee and the Business System has been updated to reflect the change.

TYPE OF RECORD: RECORD KEEPING

AMENDMENT #3 - REDUCTION IN ACRES DUE TO SALE - SULA 430 - AGRICULTURE AND FEE WAIVER

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Stewart, Slate ID: 817

CONTRACT DETAILS

Lessee: HOLT FARMS LLC
Address: 95 EAST MAIN ST

PO BOX 130

ENTERPRISE, UT 84725

Administrator: Stewart, Slate County: Iron Total acres: 327.70

Start Date: 09/01/1978 Beneficiary: School

Expiration Date: 08/31/2029

LAND PARCELS (GIS Review of Description: 11/29/2017)

T35S, R17W, SLB&M Section 6 LOTS 1-5, S2NE4, SE4NW4

327.70 acres

BACKGROUND

PS 8598 containing 630 acres of trust lands in Iron County was approved for sale (see Director's Actions, October 27, 2017, ID #552). On Wednesday, November 15, 2017, said acreage was sold at the Trust's land sale auction and the transfer was completed with the approval of C-26761 (see Director's Actions, December 4, 2017, ID #757).

Of the 630 acres sold, 470 of those acres were included in Special Use Lease Agreement No. 430. The lessee of record for SULA 430 was the successful bidder for this sale.

NARRATIVE

Due to the sale of the lands contained in C-26761, SULA 430 must be amended to remove the 470 acres that were sold thereby reducing the acreage contained therein.

SULA 430 will now contain 327.70 acres as described above and the contract will be amended.

FINANCIAL/REVENUE

Because this amendment is due to an action of the Trust, it is recommended that the amendment fee of \$400.00 be waived.

The annual rental amount due on December 1, 2017 was prorated for the remaining acres within the lease. The prorated amount of \$2,288.19 was submitted (Receipt # SL107032).

The assessment date for the next five-year review with a potential rental adjustment will be December 1, 2018.

SUMMARY

Special Use Lease Agreement No. 430 has been amended to reduce the acreage. The 470 acres sold as part of PS 8598 and C-26761 were deleted, leaving a balance of 327.70 acres. The amendment fee of \$400.00 was waived since this was an agency-initiated action.

TYPE OF RECORD: RECORD KEEPING

AMENDMENT - SULA 1248 - TELECOMMUNICATION

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Bagley, Gary ID: 855

CONTRACT DETAILS

Lessee: SBA STRUCTURES, LLC

Address: ATTN: SITE ADMINISTRATION

8051 CONGRESS AVE.

BOCA RATON, FL 334871307

Administrator: Bagley, Gary County: Tooele Total acres: 0.23

Start Date: 06/01/2000 Beneficiary: School

Expiration Date: 05/31/2020

LAND PARCELS (GIS Review of Description: 10/24/2017)

T1S, R11W, SLB&M Section 16 NW4NW4 (WITHIN)

0.23 acres

BACKGROUND

SBA STRUCTURES, LLC is the Lessee of this communication tower for cellular and wireless communications. This action is to amend the lease, which would otherwise expire on May 31, 2020.

NARRATIVE

The lessee is the current operator of this communication site and has formally requested that the existing lease for a cellular-wireless communication tower and facility be amended to allow for a longer term. The primary and sole purpose of the lease shall remain for the lessee's cellular - wireless communication tower and facility and its subleasing business. The operator has expressed the importance of increasing the lease term for future planning and creating business opportunities and potential sublease tenants, especially since the lease is due to expire on May 31, 2020 without an amendment. The lessee is a successor in interest to the original lessee, and is operating the current site in connection with its federally licensed communications business. The lessee and the Trust propose to continue leasing the existing communication site using a proposed amended and restated lease agreement to replace the current lease agreement.

The existing site is exempt from review by the Resource Development Coordinating Committee ("RDCC") and the local Association of Government and County because it is an existing site. The local government is aware and supportive of the existing site.

Because the site is an existing facility, this is an amended lease only, and there is no planned additional future surface disturbance. The site is not an undertaking for cultural resource review and paleontological survey review.

The proposed amendment is consistent with Rule 850-30-1000 and Rule 850-2, and it is in the best interest of the Trust to amend the special use lease agreement.

The term of the amended lease is 20-years, which is the normal maximum term for telecommunication site leases, as provided for in R850-30-200(3)(c).

As part of this amendment, the name is being changed from AAT Communications, Corp., which is an acquisition company of SBA Towers II, LLC., to SBA Structures, LLC. The address remains unchanged.

FINANCIAL/REVENUE

Trust staff is recommending an amount of \$12,525.00 per year as the amended annual holding base lease rental for the first five-year period, as provided for in the proposed amended and restated lease agreement. The lessee's sole business is leasing space to cellular and wireless communication sublessees. It does not have its own radio communication business. The proposed rental for this type of use in this area is within the range of market value.

The Trust is requiring the lessee to amend and restate the lease agreement in its entirety, using a currently amended and restated special use lease form. The amended lease contains an improved structure for future subleasing opportunities, giving a larger share of any potential sublease revenue (20% of gross sublease revenue received) from co-located sublessees to the

beneficiaries than in the existing lease agreement.

The difference in the fair-market value of the subject parcel and surrounding lands valued as raw lands vs. the highest and best use return as a communication site is significant. It is nearly certain that the return per acre for the parcel as a communication site will greatly exceed the fair-market value rental of the subject property for other surface uses. The current raw land value in this area is approximately \$200.00 per acre. The proposed continued use is still considered the highest and best use of this property, and as far as can be determined, shall not adversely affect the remainder of the trust lands for the remainder of the lease term.

The lessee is a Delaware Limited Liability Company, registered in the State of Utah, and in good standing. The lessee has current insurance coverage and has a \$5,000.00 surety bond, which is being increased to an amount of \$10,000.00.

SUMMARY

The Lease is hereby amended with a 20-year term, and with an amended new beginning date of January 1, 2018 and expiration date of December 31, 2037. There is a beginning base holding rental of \$12,525.00 annually, which includes the first co-located sublessee; in addition, there is a 20% revenue share agreement of all gross revenue received from each future sublessee, as set forth in the amended and restated lease agreement. The next five-year review is to be completed by January 1, 2023.

ASSIGNMENT APPROVAL - GP 21430 14 - GRAZING (STANDARD)

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Chamberlain, Scott ID: 858

CONTRACT DETAILS

Administrator: Chamberlain, Scott County: Juab; Tooele Total acres: 800.00

Start Date: 07/01/2014 Beneficiary: School

Expiration Date: 06/30/2029

AUMs: 75.00

NARRATIVE

A portion of this grazing permit will be assigned from Kurt Alloway, 2289 East Pine Canyon, Tooele, UT 84074, to grazing permit GP 21289-14 in the name of Kim and Michael Terril, 4454 West 2500 North, Delta, UT 84624. The permittee is assigning the below legal description which is 42.67% interest (32 AUMs).

T 10 S, R 6 W, Section 32: S½ (320 acres)

This assignment meets the requirements to be exempt from the \$10.00/AUM assignment fee. Therefore, it qualifies for the assignment fee of \$30.00, which has been submitted.

A GIS review of both permits was completed.

SUMMARY

A portion of this grazing permit was assigned from Kurt Alloway, 2289 East Pine Canyon, Tooele, UT 84074 to grazing permit GP 21289-14 in the name of Kim and Michael Terril, 4454 West 2500 North, Delta, UT 84624.

ASSIGNMENT APPROVAL - GP 21289 14 - GRAZING (STANDARD)

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Chamberlain, Scott ID: 857

CONTRACT DETAILS

Administrator: Chamberlain, Scott County: Tooele Total acres: 440.00

Start Date: 07/01/2014 Beneficiary: School

Expiration Date: 06/30/2029

AUMs: 44.00

NARRATIVE

A portion of this grazing permit will be assigned from Kim and Michael Terril, 4454 West 2500 North, Delta, UT 84624, to grazing permit GP 21430-14 in the name of Kurt Alloway, 2289 East Pine Canyon, Tooele, UT 84074. The permittee is assigning the below legal description which is 72.7% interest (32 AUMs).

T 10 S, R 6 W, Section 36: N1/2 (320 acres)

This assignment meets the requirements to be exempt from the \$10.00/AUM assignment fee. Therefore, it qualifies for the assignment fee of \$30.00, which has been submitted.

A GIS review of both permits was completed.

SUMMARY

A portion of this grazing permit was assigned from Kim and Michael Terril, 4454 West 2500 North, Delta, UT 84624 to grazing permit GP 21430-14 in the name of Kurt Alloway, 2289 East Pine Canyon, Tooele, UT 84074.

ASSIGNMENT APPROVAL - GP 23093 14 - GRAZING (STANDARD)

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Stewart, Slate ID: 854

CONTRACT DETAILS

Administrator: Stewart, Slate County: Iron Total acres: 2,375.70

Start Date: 07/01/2014 Beneficiary: School

Expiration Date: 06/30/2029

AUMs: 75.00

NARRATIVE

This grazing permit will be assigned from Brad Bowler, P.O. Box 236, Enterprise, UT 84725, to L&B Farm and Cattle, c/o Brad Bowler, P.O. Box 905, Enterprise, UT 84725. The assignment is for 100% interest (75 AUMs).

FINANCIAL/REVENUE

This assignment meets the requirements to be exempt from the \$10/AUM assignment fee. Therefore, it qualifies for the assignment fee of \$30, which has been submitted (Receipt #RF006546).

SUMMARY

The assignment of 100% (75 AUMs) of GP 23093-14 from Brad Bowler, to L&B Farm and Cattle, was approved.

BOND RIDER ACCEPTANCE - SULA 1307 - TELECOMMUNICATION

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Bianchi, Linda ID: 837

CONTRACT DETAILS

Lessee: ANDEAVOR FIELD SERVICES LLC

Address: 1680 WEST HWY 40

SUITE 203

VERNAL, UT 84078

Administrator: Bagley, Gary County: Uintah Total acres: 0.57

Start Date: 03/01/2001 Beneficiary: School

Expiration Date: 02/28/2037

BOND / INSURANCE DETAILS

Principal Name: ANDEAVOR FIELD SERVICES LLC

Bond Type: Surety Bond

Amount: \$10,000.00 **Effective Date:** 07/12/2017

Reference Number: 0206384

Issued By: BERKLEY INSURANCE COMPANY

SUMMARY

The lessee's name has changed on this lease from QEP Field Services, LLC to Andeavor Field Services LLC on the December 4, 2017 Director's Actions (ID #774). The Trust has received a Bond Rider for Bond No. 0206384 to make the applicable name change.

BOND RELEASE-SULA 1811 - INDUSTRIAL

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Davis, Jim ID: 834

CONTRACT DETAILS

Lessee: FINLEY RESOURCES INC

Address: PO BOX 2200

FORT WORTH, TX 76113

Administrator: Davis, Jim County: Uintah Total acres: 4.03

Start Date: 11/01/2015 Beneficiary: School

Expiration Date: 10/31/2045

BOND / INSURANCE DETAILS

Principal Name: QEP ENERGY COMPANY

Bond Type: Surety Bond

Amount: \$40,000.00 **Effective Date:** 02/01/2016

Reference Number: 906004399

Issued By: LIBERTY MUTUAL INSURANCE COMPANY

NARRATIVE

QEP Energy Company has requested the release of the referenced bond. On the Director's Actions dated December 4, 2017 (ID #726) the Director accepted the assignment of SULA 1811 from QEP Energy to Finley Resources. Also on the Director's Actions dated December 4, 2017 (ID #773) the Director accepted a \$40,000.00 bond from RLI Insurance Company, Reference No. ROG0001108, as surety for Finley's operations under SULA 1811.

As a new bond has been supplied by Finley Resources, which meets the provisions of R850-30-800, the referenced bond will be released to Liberty Mutual Insurance, who provided the surety for QEP Energy.

SUMMARY

Bond Reference No. 906004399 in the amount of \$40,000.00 was released to Liberty Mutual Insurance Company, 175 Berkeley St., Boston, MA 02117, which bond served as surety for QEP Energy Company.

CANCELLATION - GP 23400 - GRAZING (STANDARD)

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Chamberlain, Scott ID: 859

CONTRACT DETAILS

Permittee: BAR W ANGUS COMPANY, LLC

Address: C/O KOREY WRIGHT

2230 SOUTH AIRPORT ROAD

NEPHI, UT 84648

Administrator: Chamberlain, Scott County: Utah Total acres: 728.92

Start Date: 07/01/2014 Beneficiary: School

Expiration Date: 06/30/2029

AUMs: 79.00

LAND PARCELS (GIS Review of Description: 07/23/2014)

T11S, R9E, SLB&M	Section 14 NW4NE4 (5 AUMS)	40.00 acres
T11S, R9E, SLB&M	Section 14 SE4SE4 (5 AUMS)	40.00 acres
T11S, R9E, SLB&M	Section 16 ALL (68 AUMS)	640.00 acres
T11S, R9E, SLB&M	Section 36 LOT 3 (1 AUM)	8.92 acres

BACKGROUND

This permit is being canceled because the Agency sold 720 acres at public auction on November 15, 2017. The remaining 8.92 acres and one (1) AUM that was left in the permit will be added to another grazing permit that is owned by the same permittee.

The permittee was notified of this action and agreed to the action.

SUMMARY

The permit is being canceled because the bulk of the land in the permit was sold at public auction.

COLLATERAL ASSIGNMENT APPROVAL GP 21148 13 GRAZING (STANDARD)

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Stewart, Slate ID: 838

CONTRACT DETAILS

Permittee: L & B FARM AND CATTLE

Address: PO BOX 905

ENTERPRISE, UT 84725

Administrator: Stewart, Slate County: Iron Total acres: 897.28

Start Date: 07/01/2013 Beneficiary: School

Expiration Date: 06/30/2028

AUMs: 32.00

SUMMARY

Bradley Bowler of L&B Farm & Cattle, LP, P.O. Box 905, Enterprise, UT 84725, has requested the School and Institutional Trust Lands Administration's permission to collaterally assign the above-referenced grazing permit to Western AgCredit, FLCA, P.O. Box 95850, South Jordan, UT 84095-0850.

The collateral assignment fee in the amount of \$50.00 has been submitted (Receipt #RF6543).

WAIVER OF LATE FEE - SULA 713 - TELECOMMUNICATION

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Bagley, Gary ID: 853

CONTRACT DETAILS

Lessee: MCI WORLDCOM

Address: C/O VERIZON RIGHT OF WAY

6929 N LAKEWOOD DR

MD-5.3.4009 TULSA, OK 74117

Administrator: Bagley, Gary County: Juab Total acres: 0.06

Start Date: 10/01/1986 Beneficiary: School

Expiration Date: 09/30/2037

LAND PARCELS (GIS Review of Description: 12/12/2017)

T14S, R5W, SLB&M Section 36 NE4NE4 (part of) 0.06 acres

NARRATIVE

SULA 713 is a lease for a fiber optic regeneration station. The October 1, 2017 annual payment was received late and after considerable discussion, the Trust is now waiving the \$87.00 late fee for the following reasons:

- The lessee opposed the late fee because it responded that the late fee was not directly and specifically set forth in the contract, and should not be allowable.
- The lease, issued to MCI WorldCom, was been recently acquired by Verizon Right of Way and they were not familiar with the late fee requirements that pertain to the lease through rule and supporting case law.
- The cost versus benefit to the Trust justified waiving the late fee for this one-time occurrence. The lessee was provided written notice about the specific requirements for timely future lease payments. This is documented in the lease file. The lessee acknowledged the receipt of the notice and indicated it had adjusted its billing systems to avoid late payment problems in the future.
 - The late fee of \$87.00 is waived for this late payment occurrence only.

SUMMARY

The Director approved the waiver of late fees of \$87.00 for SULA 713 for reasons noted above.

REDUCTION AND CORRECTION OF ACREAGE - GP 22434 08 - GRAZING (STANDARD)

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Stewart, Slate ID: 813

CONTRACT DETAILS

Permittee: ROBERT HOLT FARMS INC

Address: PO BOX 130

ENTERPRISE, UT 847250130

Administrator: Stewart, Slate County: Iron Total acres: 1,921.07

Start Date: 07/01/2008 Beneficiary: School

Expiration Date: 06/30/2023

AUMs: 127.00

LAND PARCELS (GIS Review of Description: 11/29/2017)

T33S, R17W, SLB&M	Section 32	All	640.00 acres
T33S, R18W, SLB&M	Section 36	All	640.00 acres
T35S, R17W, SLB&M	Section 6	LOTS 6-7, E2SW4, SE4	320.19 acres
T35S, R18W, SLB&M	Section 2	LOTS 1-4, S2N2	320.88 acres

NARRATIVE

The acreage and associated AUMs of this permit are being reduced and corrected due to the sale of 630 acres which were sold at the Trust's land sale auction held on Wednesday, November 15, 2017 (see PS 8598 and C-26761 on the Director's Actions dated October 2 [ID #552], December 4 [ID #757], and December 11, 2017 [ID #833]). The land was purchased by the permittee of record.

Through review of this action, it was discovered that additional acres and associated AUMs in this grazing permit are also included in multiple SULAs held by the permittee. These lands and the associated AUMs were also removed from this grazing permit since the respective SULAs allow for grazing of crop residues (SULAs 430, 646 and 710).

Prior to this action, this grazing permit contained 3,518.77 acres and 127 AUMs. GP 22434-08 will now contain 1,921.07 acres and 96 AUMs as described above.

SUMMARY

The acreage and AUMs contained in GP 22434-08 have been reduced and corrected to reflect duplicated acreage and AUMs within SULAs 430, 646, and 710 and the acreage and AUMs which were sold as part of PS 8598/C-26761.

TYPE OF RECORD: RECORD KEEPING

APPROVAL OF SUBLEASE - GP 23418 - GRAZING (STANDARD)

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Chamberlain, Scott ID: 819

CONTRACT DETAILS

Permittee: BRYAN E AND SUSAN R ALLRED FAMILY TRUST

Address: 245 S 200 W

PO BOX 116

FOUNTAIN GREEN, UT 84632

Administrator: Chamberlain, Scott County: Juab Total acres: 1,768.62

Start Date: 07/01/2015 Beneficiary: School

Expiration Date: 06/30/2030

AUMs: 196.00

SUMMARY

Permission is requested to sublease 51% (100 AUMs) to Triple P Brand, 432 North 900 East, Nephi, UT 84648. The sublease will be for a period of four (4) years, beginning July 1, 2017 and ending June 30, 2021.

The sublease fee for the first year in the amount of \$100.00 has been submitted.

APPROVAL OF SUBLEASE - GP 22447 09 - GRAZING (STANDARD)

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Chamberlain, Scott ID: 847

CONTRACT DETAILS

Permittee: OKELBERRY TINTIC, LLC

Address: 36 EAST 1500 SOUTH

BOUNTIFUL, UT 84010

Administrator: Chamberlain, Scott County: Juab Total acres: 657.53

Start Date: 07/01/2009 Beneficiary: School

Expiration Date: 06/30/2024

AUMs: 25.00

SUMMARY

Permission is requested to sublease 100% (25 AUMs) to Allred Sheep Co./Preston E. Allred, 22190 North 720 East, P.O. Box 352, Fountain Green, UT 84632. The sublease will be for a period of five (5) years, beginning July 1, 2017 and ending June 30, 2022.

The sublease fee for the first year in the amount of \$117.25 has been submitted.

PATENT NO. 20544 ISSUED - C 24976 - PS 7579

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Lund, Diane ID: 851

CONTRACT DETAILS

Purchaser: SIDDOWAY DIAMOND MOUNTAIN ASSN

Address: 4165 SOUTH 1500 WEST

VERNAL, UT 84078

Administrator: Bartlett, Scott County: Uintah Total acres: 40.00

Start Date: 11/01/1999 Beneficiary: Reservoirs

Expiration Date: 10/31/2021

LAND PARCELS (GIS Review of Description: 12/11/2017)

T1N, R23E, SLB&M Section 19 NE4SE4 40.00 acres

SUMMARY

This property was sold October 15, 1999 via Pre Sale No. 7579 and Certificate of Sale No. 24976 to Siddoway-Diamond Mountain Association. The property has been paid in full. Patent No. 20544 was issued on December 7, 2017.

TYPE OF RECORD: RECORD KEEPING

PATENT NO. 20545 ISSUED - C 24977 - PS 7580

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Lund, Diane ID: 850

CONTRACT DETAILS

Purchaser: SIDDOWAY DIAMOND MOUNTAIN ASSN

Address: 4165 SOUTH 1500 WEST

VERNAL, UT 84078

Administrator: Bartlett, Scott County: Uintah Total acres: 40.00

Start Date: 11/01/1999 Beneficiary: Reservoirs

Expiration Date: 10/31/2021

LAND PARCELS (GIS Review of Description: 12/11/2017)

T1N, R23E, SLB&M Section 20 NW4NW4 40.00 acres

SUMMARY

This property was sold October 15, 1999 via Pre Sale No. 7580 and Certificate of Sale No. 24977. The property has been paid in full. Patent No. 20545 was issued on December 7, 2017.

TYPE OF RECORD: RECORD KEEPING

APPROVAL - RIP 710 - RANGE IMPROVEMENT

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Chamberlain, Scott ID: 844

CONTRACT DETAILS

Lessee: BUREAU OF LAND MANAGEMENT

Address: 2370 S DECKER LAKE BLVD

WEST VALLEY CITY, UT 84119

Administrator: Chamberlain, Scott County: Juab; Tooele Total acres: 634.76

Beneficiary: School

LAND PARCELS (GIS Review of Description: 07/26/2017)

T10S, R7W, SLB&M Section 2 ALL 307.99 acres

T11S, R7W, SLB&M Section 2 LOTS 3 & 4, S2NW4, SW4 326.77 acres

BACKGROUND

REQUESTED/PROPOSED ACTION:

The applicant proposes to bullhog 285 acres of juniper trees and to seed the sites. This is a sage-grouse enhancement project.

RELEVANT FACTUAL BACKGROUND:

The applicant submitted a proposal for this range improvement project on July 7, 2017. The applicant is doing the project with the assistance of the Utah Division of Wildlife Resources ("DWR").

The project was submitted by DWR to the Resource Development Coordinating Committee ("RDCC") (RDCC project #60122). No comments were received.

The Trust's archaeological staff has verified that clearance was completed. There is one (1) site that will be avoided.

A search of Trust records was made to determine the status of the areas involved. Contracts, leases, and permits in the project areas are: GP 22572-10, GP 22399-08, and GP 22399-A08. Due to the nature of the project the grazing permits will be required to rest this portion of the allotment.

NARRATIVE

EVALUATION OF THE FACTS:

This range improvement is in compliance with R850-50-1100(5)(a) and (b). The project does enhance the value of the resources pursuant to R850-50-1100(5)(c).

FINANCIAL/REVENUE

The project cost on trust lands is valued at \$89,178. Funding is through the Watershed Restoration Initiative ("WRI"). Because the applicant is not the permittee of record, the project will not be eligible for amortization. Note: the life of the project (the benefit) is 20 years.

SUMMARY

This range improvement project to the applicant proposes to bullhog 285 acres of juniper trees was approved.

FIVE-YEAR REVIEW - SULA 1326 - RESIDENTIAL

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Torgerson, Bryan ID: 820

CONTRACT DETAILS

Lessee: MARLIN RED STEWART

Address: 2751 WEST SAN MIGUEL AVE.

NORTH LAS VEGAS, NV 89032

Administrator: Torgerson, Bryan County: Grand Total acres: 10.00

Start Date: 01/01/2003 Beneficiary: School

Expiration Date: 12/31/2022

LAND PARCELS (GIS Review of Description: 11/29/2017)

T25S, R20E, SLB&M Section 32 WITHIN 10.00 acres

BACKGROUND

The authorized use of the subject parcel is for the construction and maintenance of one (1) recreational cabin, and other authorized ancillary improvements. The review date is January 1, 2018.

NARRATIVE

DUE DILIGENCE AND PROPER USE:

The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

PROPER USE:

The leased premises are being used in accordance with the lease agreement.

ADEQUATE INSURANCE AND BOND COVERAGE:

The lessee has provided proof of adequate insurance coverage. The lease allows the Trust to require a bond at any time, or to require additional bonding as may be in the best interest of the beneficiary. Trust staff have determined that no bond is required at this time.

WATER RIGHTS AND WELLS:

Water Right No. 01-1098 (a27427) is associated with this lease, and it is in the name of the Trust. This is an underground right from a well on Trust property.

ENVIRONMENTAL COMPLIANCE:

The property was inspected and reviewed for environmental compliance on November 30, 2017. The lease inspection indicated it would be rated as low risk. There is no evidence of underground petroleum storage tanks stored on the lease property. All oil and gas containers are being properly stored. The complete environmental report is in the lease file.

FINANCIAL/REVENUE

The lease agreement provides for periodic increases in the annual base rental amount. Pursuant to the lease agreement, it is recommended that the annual base rental be increased from \$1,170.00 per year to \$1,190.00 per year, effective January 1, 2018.

A certified notice was sent informing the lessee of this action. No response has been received.

After a preliminary analysis pursuant to Board policy, the value of comparable, unimproved properties in the area has been estimated to be approximately \$3,000.00 per acre. Based on this analysis, it has been determined that an appraisal is not warranted, and that any rental increase should be tied to comparable lease rentals and/or published federal rental schedules. The existing lease is currently considered the highest and best use of a parcel of this type of land.

Annual Base Rental: \$1,190.00 Rental per acre: \$119.00

SUMMARY

FIVE-YEAR REVIEW - SULA 1326 - RESIDENTIAL

(Continued)

The annual rental has been increased from \$1,170.00 to \$1,190.00, effective January 1, 2018. The next five-year review will be completed by January 1, 2023.

THREE-YEAR REVIEW - SULA 990 - AGRICULTURE

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Chamberlain, Scott ID: 804

CONTRACT DETAILS

Lessee: LUND RANCH Address: P O BOX 730

GUNNISON,, UT 84634

Administrator: Chamberlain, Scott County: Sanpete Total acres: 32.40

Start Date: 03/01/1994 Beneficiary: Utah State University

Expiration Date: 02/28/2034

LAND PARCELS (GIS Review of Description: 11/28/2017)

T19S, R1W, SLB&M Section 21 N2NE4SE4 (PARTIAL) 19.71 acres

T19S, R1W, SLB&M Section 22 PART OF TRACT 66 (N2NW4SW4)

BACKGROUND

The authorized use of the subject parcel is for irrigation water storage ponds and associated water line. The review date is March 1, 2018.

NARRATIVE

DUE DILIGENCE AND PROPER USE:

The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

PROPER USE:

The leased premises are being used in accordance with the lease agreement.

ADEQUATE INSURANCE AND BOND COVERAGE:

The lessee has provided proof of adequate insurance coverage. The lease allows the Agency to require a bond at any time, or to require additional bonding as may be in the best interest of the beneficiary. No performance and reclamation bond is currently in place, and upon consultation with the Agency's environmental compliance manager, it has been determined that amount is adequate for the current risks associated with the lessee's current uses.

WATER RIGHTS AND WELLS:

There are no Trust-owned water rights associated with this lease.

ENVIRONMENTAL COMPLIANCE:

The property was inspected and reviewed for environmental compliance on November 6, 2017. The lease inspection indicated it would be rated as low risk. There is no evidence of underground petroleum storage tanks stored on the lease property. There are no oil and gas containers being stored. The complete environmental report is in the lease file.

FINANCIAL/REVENUE

The lease agreement provides for periodic increases in the annual base rental amount. Pursuant to the lease agreement, it is recommended that the annual base rental be increased from \$630.00 per year to \$670.00 per year, effective March 1, 2018.

A certified notice was sent informing the lessee of this action. No response has been received.

After a preliminary analysis pursuant to Board policy, the value of comparable, unimproved properties in the area has been estimated to be approximately \$500.00 per acre. Based on this analysis, it has been determined that an appraisal is not warranted, and that any rental increase should be tied to comparable lease rentals and/or published federal rental schedules. The existing lease is currently considered the highest and best use of a parcel of this type of land.

Annual Base Rental: \$670.00 Rental per acre: \$20.68

12.69 acres

THREE-YEAR REVIEW - SULA 990 - AGRICULTURE

(Continued)

SUMMARY

The annual rental has been increased from \$630.00 to \$670.00, effective March 1, 2018. The next three-year review will be completed by March 1, 2021.

THREE-YEAR REVIEW - SULA 989 - AGRICULTURE

DA Date: 12/18/2017 Status: Approved by David Ure Department: Surface

Drafted By: Chamberlain, Scott ID: 802

CONTRACT DETAILS

Lessee: O'DRISCOLL, FRANKLIN J

Address: P O BOX 964

GUNNISON, UT 84634

Administrator: Chamberlain, Scott County: Sanpete Total acres: 19.84

Start Date: 03/01/1994 Beneficiary: School

Expiration Date: 02/28/2034

LAND PARCELS (GIS Review of Description: 11/29/2017)

T19S, R1W, SLB&M Section 16 E2 OF TRACT #85 PIUTE LOCAL SURVEY AKA E2SW4SE4 19.84 acres

BACKGROUND

The authorized use of the subject parcel is for irrigation water storage ponds and associated water line. The review date is March 1, 2018.

NARRATIVE

DUE DILIGENCE AND PROPER USE:

The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

PROPER USE:

The leased premises are being used in accordance with the lease agreement.

ADEQUATE INSURANCE AND BOND COVERAGE:

The lessee has been asked to provide proof of adequate insurance coverage. The lease allows the Agency to require a bond at any time, or to require additional bonding as may be in the best interest of the beneficiary. No performance and reclamation bond is currently in place, it has been determined that this is adequate for the current risks associated with the lessee's current uses.

WATER RIGHTS AND WELLS:

There are no Trust-owned water rights associated with this lease.

ENVIRONMENTAL COMPLIANCE:

The property was inspected and reviewed for environmental compliance on November 6, 2017. The lease inspection indicated it would be rated as low risk. There is no evidence of underground petroleum storage tanks stored on the lease property. There are no oil and gas containers being stored. The complete environmental report is in the lease file.

FINANCIAL/REVENUE

The lease agreement provides for periodic increases in the annual base rental amount. Pursuant to the lease agreement, it is recommended that the annual base rental be increased from \$630.00 per year to \$670.00 per year, effective March 1, 2018.

A certified notice was sent informing the lessee of this action. The lessee did contact the administrator to voice their displeasure with the increase. However, the lessee did agree to the increase and will not protest the action.

After a preliminary analysis pursuant to Board policy, the value of comparable, unimproved properties in the area has been estimated to be approximately \$500.00 per acre. Based on this analysis, it has been determined that an appraisal is not warranted, and that any rental increase should be tied to comparable lease rentals and/or published federal rental schedules. The existing lease is currently considered the highest and best use of a parcel of this type of land.

Annual Base Rental: \$670.00 Rental per acre: \$33.77

SUMMARY

THREE-YEAR REVIEW - SULA 989 - AGRICULTURE

(Continued)

The annual rental has been increased from \$630.00 to \$670.00, effective March 1, 2018. The next three-year review will be completed by March 1, 2021.

AMENDMENT #4 - DEVL 1064 - DEVELOPMENT LEASE

DA Date: 12/18/2017 Status: Approved by David Ure Department: Development

Drafted By: Roe, Alan ID: 843

CONTRACT DETAILS

Lessee: THE DAMMERON CORPORATION

Address: 1 DAMMERON VALLEY DRIVE EAST

DAMMERON VALLEY, UT 84783

Administrator: Pasley, Kyle County: Washington Total acres: 524.00

Start Date: 10/16/2014 **Beneficiary:** School of Mines 143.00 ac (27.29%);

University of Utah 381.00 ac (72.71%)

Expiration Date: 10/16/2024

Project Code: DMRON 000 00 000 Project Name: Dammeron Valley

NARRATIVE

This amendment provides that the School and Institutional Trust Lands Administration ("SITLA") retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee. The effective date of the amendment is January 1, 2017.

SUMMARY

This amendment provides that SITLA retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee.

AMENDMENT #5 - DEVL 729 - DEVELOPMENT LEASE

DA Date: 12/18/2017 Status: Approved by David Ure Department: Development

Drafted By: Roe, Alan ID: 842

CONTRACT DETAILS

Lessee: SUN RIVER DEVELOPMENT

Address: 1404 WEST SUN RIVER PARKWAY

ST GEORGE, UT 84790

Administrator: Pasley, Kyle County: Washington Total acres: 289.45

Start Date: 12/05/2005 Beneficiary: School

Expiration Date: 10/01/2021

Project Code: SOBLK 003 00 000 000 Project Name: South Block / SunRiver / DEVL 729

NARRATIVE

This amendment provides that the School and Institutional Trust Lands Administration ("SITLA") retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee. The effective date of the amendment is January 1, 2017.

SUMMARY

This amendment provides that SITLA retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee.

AMENDMENT #4 - DEVL 744 - DEVELOPMENT LEASE

DA Date: 12/18/2017 Status: Approved by David Ure Department: Development

Drafted By: Roe, Alan **ID:** 841

CONTRACT DETAILS

Lessee: QUALITY EXCAVATION Address: 1472 EAST 3950 SOUTH

ST. GEORGE, UT 84790

Administrator: Pasley, Kyle County: Washington Total acres: 76.01

Start Date: 02/23/2006 Beneficiary: School

Expiration Date: 01/01/2019

Project Code: TNQTS 004 00 000 000 Project Name: Tonaquint Height / DEVL 744

NARRATIVE

This amendment provides that the School and Institutional Trust Lands Administration ("SITLA") retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee. The effective date of the amendment is January 1, 2017.

SUMMARY

This amendment provides that SITLA retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee.

AMENDMENT #3 - DEVL 1075 - DEVELOPMENT LEASE

DA Date: 12/18/2017 Status: Approved by David Ure Department: Development

Drafted By: Roe, Alan ID: 840

CONTRACT DETAILS

Lessee: CW CORAL CANYON, LLC

Address: 1222 WEST LEGACY CROSSING

BOULEVARD SUITE 6

CENTERVILLE, UT 84014

Administrator: Pasley, Kyle County: Washington Total acres: 789.64

Start Date: 10/29/2016 Beneficiary: Institution for the Blind 15.55 ac (1.97%);

Miners Hospital 355.21 ac (44.99%); Public Buildings 0.27 ac (0.03%); School 149.10 ac (18.88%);

Utah State University 250.33 ac (31.70%); Youth Development Center 19.18 ac (2.43%)

Expiration Date: 10/29/2026

Project Code: SUNCR 005 00 000 Project Name: Coral Canyon 2016 Development Lease

NARRATIVE

This amendment provides that the School and Institutional Trust Lands Administration ("SITLA") retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee. The effective date of the amendment is January 1, 2017.

SUMMARY

This amendment provides that SITLA retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee.

AMENDMENT #3 - DEVL 754 - DEVELOPMENT LEASE

DA Date: 12/18/2017 Status: Approved by David Ure Department: Development

Drafted By: Roe, Alan ID: 839

CONTRACT DETAILS

Lessee: IVORY SOUTHERN, LLC
Address: 978 WOODOAK LANE

SALT LAKE CITY, UT 84117

Administrator: Pasley, Kyle County: Washington Total acres: 443.76

Start Date: 05/08/2006 Beneficiary: School

Expiration Date: 12/18/2018

Project Code: HIDVL 002 00 000 000 Project Name: Hidden Valley Phase II and III / DEVL 754

NARRATIVE

This amendment provides that the School and Institutional Trust Lands Administration ("SITLA") retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee. The effective date of the amendment is January 1, 2017.

SUMMARY

This amendment provides that SITLA retains its right to enter and control the leased property until active development starts. This provision will reduce the privilege tax liability of the lessee.

INTEREST RATE

DA Date: 12/18/2017 Status: Approved by David Ure Department: Accounting

Drafted By: Babinsky, Michael ID: 867

FINANCIAL/REVENUE

Following are the current and past year prime rates:

CURRENT YEAR: 4.25% ONE YEAR AGO: 3.50%

Separately, a late penalty of 6% or \$30.00, whichever is greater, shall be charged after failure to pay any financial obligation, excluding royalties as provided in R850-5-300(2), within the time limit under which such payment is due.

Interest on delinquent royalties shall be based on the prime rate of interest at the beginning of each month, plus 4%.

CERTIFICATES OF SALE - PAID IN FULL

DA Date: 12/18/2017 Status: Approved by David Ure Department: Accounting

Drafted By: Babinsky, Michael ID: 849

CONTRACT	NAME	BENE	COUNTY	TYPE
C 24593	RASMUSSEN, KREIG & DIXIE	IB	SEVR	PUB
C 24595	ROBERT L BAGLEY FAMILY TRUST	IB	SEVR	PUB
C 24598	STEVE M HEATON	SCH	KANE	PUB

SUMMARY

Certificate of Sale 24593 was paid in full on October 30, 2017. Certificate of Sale 24595 was paid in full on November 2, 2017. Certificate of Sale 24598 was paid in full on October 23, 2017.

REFUND - ROW 3119 - RIGHT OF WAY

DA Date: 12/18/2017 Status: Approved by David Ure Department: Accounting

Drafted By: Babinsky, Michael ID: 852

CONTRACT DETAILS

Lessee: NEWFIELD PRODUCTION COMPANY

Address: 24 WATERWAY AVE

SUITE 900

THE WOODLANDS, TX 77380

Administrator: Bartlett, Scott County: Duchesne Total acres: 0.80

Start Date: 01/01/1985 Beneficiary: School

Expiration Date: 10/31/2015

BACKGROUND

The lessee made a \$20.00 rental payment on November 15, 2017; however, the lease was set for a 30-year primary term and expired on October 31, 2015, therefore no payment was due.

NARRATIVE

A refund in the amount of \$20.00 was verified by Scott Bartlett, lease administrator of the Surface Group.

FINANCIAL/REVENUE

A refund in the amount of \$20.00 was completed.

SUMMARY

The lessee was refunded \$20.00 for a rental over payment